II. ANNOUNCEMENT *re* :

Election of a Member of the State Library Committee.

MR. CHAIRMAN : I have to announce to the House that—

Srimathi Mary Clubwala Jadhav, M.L.C., is the only candidate duly nominated for election to the State Library Committee. As the number of candidates nominated is equal to the number of vacancy to be filled, namely, one, I hereby declare her duly elected to the State Library Committee.

III. DISCUSSION ON THE GOVERNOR'S ADDRESS—*cont.*

* THE HON. SRI M. A. MANICKAVELU : Mr. Chairman, Sir, in the first place I must thank you for giving me an opportunity to clarify some of the points raised by the hon. the Leader of the Opposition with regard to the administration of the Health and Medical Departments. It is true that the provision made for Medical and Public Health Departments is low, namely, Rs. 300 crores, when the total outlay of the Plan is in the order of Rs. 10,500 crores and when it is to be raised to Rs. 12,000 crores or so. So far as this State is concerned, the provision is about Rs. 41·5 for Medicine and Public Health including Water-supply Schemes. This provision has been cut down to Rs. 24·5 crores. Now the axe has fallen heavily not so much upon Medical and Public Health as on the water-supply schemes. We had provided about Rs. 27·5 crores for water-supply schemes and this has been reduced to Rs. 6·5 crores. So, it will be seen that the major cut was only in respect of the water-supply schemes and not in regard to Medical and Public Health Departments.

Sir, before the Plan for the whole country was formulated, the State Health Ministers met, months ahead of the formulation of the draft outline of the Plan, in order to impress upon the Planning Commission and the Central Government the necessity for providing a greater amount under the head 'Public Health and Medicine'. This Conference of the Health Ministers discussed all the problems arising out of the health requirements of the people and finally passed a resolution that at least 10 per cent of the total outlay should be earmarked for the Health Department. But unfortunately that did not take place and I again say the provisions under this head is very low. Now the Leader of the Opposition has said
3-20 p.m. that there is more emphasis on planning for prosperity. That seems to be so. He has also quoted Sri J. C. Ghosh in his support. He has said that Sri Ghosh considered that a cultivated mind in a healthy body is very necessary and that such a thing should be encouraged. I also agree. But the trouble is the necessity for that changed outlook is not really thought of. Therefore more men of Ghosh temperament and Ghosh outlook and also more leaders like the hon. the Leader of the Opposition should be emphasising . . .

DR. A. LAKSHMANASWAMI MUDALIAR : In the Planning Commission?

25th January 1961]

THE HON. SRI M. A. MANICKAVELU: Not in the Planning Commission. They should be emphasising this point so that some time or other the necessity for greater provision for health services will be felt. Sir, I am a believer in constantly making reference to this aspect of the question, that is, that planning for prosperity alone would not do. Because, after all, why is the replanning for prosperity? It is there so that people may live healthily and enjoy the fruit of schemes. What is the use of planning for prosperity if people are not healthy and free from disease? How can they enjoy the fruit of the plans and schemes motivated by planning for prosperity? Not only this. Even in order effectively to carry out the schemes of planning for prosperity, people must be healthy and able-bodied and free from disease. From this point of view I think a greater provision on this item is such more useful and important than mere planning for prosperity alone. So I do not think that anybody, if he looks at this problem from this standpoint, will differ. The only hope I have is in the Tamil proverb of quoted, namely,

"அடிமேல் அடிஅடித்தால், அம்மியும் நகரும்"

Therefore if those people of this outlook constantly bring this aspect to the notice of either the Planning Commission or other authorities, I am sure much more provision will be made in course of time.

Then, Sir, reference was made to the overcrowding in our hospitals. It is true that we are doing our best to make more beds available. But still the pressure on hospitals is very great not only on account of the increase of population but also more on account of the changed outlook on the part of people seeking medical treatment in hospitals than before. Previously people went to the hospitals only as a last resort. Now even for very minor ailments, people go to hospitals. So, there is now a greater pressure on hospitals. If we have to adopt the very strict rule that patients could be admitted only to the extent of the sanctioned bed strength, many would be denied admission and that will be a very difficult problem. So many people who are seeking admission will be completely denied this opportunity. That is why the Government tolerate and the doctors also tolerate to some extent the admission of more patients than the bed strength would admit. Though the patients may not get cots, at least on the mats or bed sheets they are given accommodation from the mere humanitarian standpoint and not from any other. After this overcrowding was brought to our notice, we are trying to restrict the admissions at least in the teaching hospitals to the minimum possible. Thus matters are now improving. To give an idea of the number of beds that have been increased. I will just now give the figures. The bed strength in 1951 was 9,812. The bed strength in 1961 is 16,672. During the third plan we propose to increase the number to 28,602. In the case of doctors also, there is a progressive increase in their number. In 1951 their number was 4,218. In 1961, it is 5,635. In Third Plan the increase will be about 7,665. Therefore, it will be seen that all steps are being taken to see that the difficulty of overcrowding in hospitals is solved. It is a question of not only

[Sri M. A. Manickavelu] [25th January 1961

having trained personnel but also it is a question of finance. In the circumstances, the Government are doing their very best in solving this overcrowding problem.

As regards the question of resignation by doctors, I will save the hon. Member Sri Raza Khan the trouble of having to put question to get the necessary information. Yesterday he said that he would have to put a separate question to elicit this information. The number of resignations then was 85. Up to the end of the year 1960, the number is 125—about 40 more. (Sri P. T. Rajan : Improving!). Now the reasons given for these resignations are private', 'domestic reasons', and other things. But if we dive deep into the mater and find out the real reason we will see that the doctors are not willing to go to the rural parts and work there. Another reason is that people do not want to go outside Madras. Many prefer to work only in Madras City. Now we are forced to have the regular degreeholders in medicine—M.B.B.S.—in the mofussil centres for the primary healthy centres, because we are getting grants from the Central Goevrnment and also aid from international agencies. They insist upon a regular medical graduate and, therefore, at least to the primary health centres we are forced to post regular M.B.B.S. doctors. The further difficulty is this. Formerly there were not so many amenities given in the matter of medical treatment in the interior parts of our country. But now the primary health centres in order to cover the rural population are located in far away remote places in the interior, and there are no amenities available there as in the towns. So people fight shy to go there. Therefore, these resignations are coming in. We are trying to give every inducement. We have given extra allowances also. But still the difficulty is there. The difficulty will be there as long as those doctors who resign can earn more by way of private practice and as long as more graduates are not turned out.

3-30 p.m. With regard to post-graduate studies, there are facilities provided. Now, there are only three posts wanting men with post-graduate qualifications, viz., Professor of Pharmacology in the Tanjore College—the present incumbent does not possess these qualifications — and Professors of Bio-Chemistry both at Tanjore and in Kilpauk Medical College. So against 84 posts requiring persons with post-grdauate qualifications, only three are vacant. So, there is no dearth of properly qualified people for manning these institutions.

Reference was made to the appointment of honorary medical officers and it was said that their term had been reduced from five to three years. Sir, this does not stand in the way of appointments being renewed again and again. There are, in fact, officers who have served for ten years, twelve years and fifteen years. Why the term has been reduced is there is a large number of doctors offering honorary service and, therefore, we have to provide turns for all people who come forward to serve in Government

hospitals. There are a few doctors—they are very rare—who do not conduct themselves in a desirable way and complaints are received against such honorary medical men. But luckily they are quite a few. So, considering all these factors, the term has been reduced to three years. The honoraries are doing their work properly and there is no difficulty at all with them. There is no question of their coming before the Government with bended knees and all that as was said by the hon. Leader of the Opposition. A mere written application will do.

As regards the prevalence of small-pox, the Government of India have taken it very seriously and want to see to it that the disease is not only controlled but completely eradicated. In so many other countries, especially in Western countries, this disease has been completely eradicated.

The Government of India have given us the necessary air to try a pilot project in each district to that end. We have selected the Chingleput district for working the scheme. It has a population of about 20 lakhs and I understand that about 60 to 65 per cent of the population have already been either vaccinated or revaccinated. I hope in a couple of months or so the entire population will be vaccinated. There are schemes now to extend the programme not only to other parts of the State but throughout the country. But the main difficulty in undertaking such schemes in the City is that it is in the charge of the Corporation health staff. It is regrettable—I also regret it personally—that we should hear periodical reports about attacks of small-pox. We are not happy about it. Especially in a premier city like ours, it should not be so. Recently we had an experience. Some Russian or German delegation which visited this country was staying at Bangalore in Mysore State. They must have seen some reports in the newspapers about the prevalence of small-pox in our City and so they sent frantic telegrams making enquiries about it. We had to say that they need not be worried or afraid as it had become a regular thing here (laughter). What we meant was it was not so very ' catching ' or contagious and that they might visit the City safely. From that time onwards we have taken every step possible to see that the City is free from small-pox. Since the Corporation could not cope with the work we have asked the Director of Public Health to work the scheme in the City so that vaccination and revaccination could be done quickly. The scheme has been sent to the Corporation and we are awaiting its approval. We are determined to see that small-pox is wiped out completely and this is possible by the only method—vaccination and revaccination. I am glad that the hon. Leader of the Opposition mentioned about it.

As regards the scheme for the exchange of professors, it is taking a very good shape and only details have to be worked out. In a short time we will be able to inform the hon. Leader of the Opposition that it is in operation.

[Sri M. A. Manickavelu] [25th January 1961

Now, mention was made about the usefulness of a separate Director of Medical Education in the State. I submit, the difficulty is, medical education is intimately connected with hospitals in the matter of clinical study and all that. Therefore, the full direction must be in the hands of one who is in charge of both medical education and hospitals. But we have got a separate Assistant Director of Medical Services who is in charge of medical education. He is of course working under the Director of Medical Services and we have no difficulty. I think this system is working all right.

With regard to the constitution of a committee to go into matters connected with medical education, we have already appointed three committees. In one of these, the hon. Leader of the Opposition himself sits as Chairman. Two reports have already been sent to us and one more is awaited and that will be forthcoming very soon. So, when all these reports are received, they will be studied and whatever improvements can be made will be made.

Coming to individual cases, I am of course very reluctant about referring to them. But still mention has been made and I will answer some of the charges. One doctor, qualified in Ophthalmology, an M.S., was said to have been transferred from the City to a mofussil town. Now the whole idea of medical service to be rendered to the general public is having a reorientation. Formerly all kinds of services including specialist and highly advanced were available only in the metropolis. But now the Government want that all these amenities should be available not only in the hospitals in the City but also in the District Headquarters and, to a small extent, in the taluk headquarters hospitals.

DR. A. SREENIVASAN : Is it so?

THE HON. SRI M. A. MANICKAVELU : Yes.

DR. A. SREENIVASAN : Where are the facilities?

THE HON. SRI M. A. MANICKAVELU : So, we are thinking in terms of some sort of decentralisation in the matter of affording facilities to the people so that they may not have the trouble of going from Cape Comorin or Ootacamund to the metropolis. We are strengthening all departments from that point of view. We wanted to upgrade the Ophthalmic Department in the Tiruchirappalli headquarters hospital and, therefore, this gentleman was sent. Of course, he was here—Madras—for a long time, for nearly twelve years.

SRI MOHAMED RAZA KHAN : Now you have the facilities?

THE HON. SRI M. A. MANICKAVELU : We want to build up.

DR. A. SREENIVASAN : Say, ' to improve things '.

25th January 1961]

THE HON. SRI M. A. MANICKAVELU : Another point was raised about a gentleman joining a post-graduate course and then withdrawing from it.

Now, it happened this way. The gentleman sent in his resignation and joined the post-graduate course. But before accepting the resignation, there were certain financial recoveries to be effected from him and the resignation could not be accepted before the recoveries were effected. When this question was pending the gentleman thought it was prudent to get away from the course itself. So we are not responsible for that. 3-40 p.m.

Sir, these are the points I was able to collect with regard to the criticism made about the Department. Any other suggestions that may be made now and then will be carefully looked into and we will try to rectify as far as possible having regard to the financial aspect also and availability of technical personnel and other things.

SRI MOHAMED RAZA KHAN : On a point of information, Sir. At present the Government of India are instituting a number of scholarships for doctors to go to foreign countries where they are given facilities to specialise in different branches. Is it a fact that many doctors who apply to go there for foreign studies are not allowed to go there with a lien on their service here? Have such cases been brought to the notice of the Government and do our Government think that the facilities available in our State are sufficient for higher studies and therefore they need not be sent to foreign countires for training there?

THE HON. SRI. M. A. MANICKAVELU : Whenever there is necessity for people to get trained in foreign countries, we allow them to go and get the benefit of the training there. But when it is at the cost of our own people here we cannot relieve them. I can cite instances where people want to have more and more qualification in quick succession. Within a year of passing their M.B.B.S. examination they want to go for post-graduate studies. Even the hon. the Leader of the Opposition said the other day that they must have two or three years practical experience and then they could take to post-graduate studies. But it is not like that with these people. They won't allow any time to gain practical experience. They want to go on learning (Laughter). What is the use of reading if they are not to be useful in actual life?

* THE HON. SRI. R. VENKATARAMAN : Mr. Chairman, Sir, the task of replying to the debate has been rendered very easy by the contribution which the Hon. the Minister for Revenue made in clarifying some of the important points raised during the course of the debate. I also thank and compliment the hon. the mover of the motion of thanks for the detailed facts he placed before the House of the progress made by the State in several sectors. For once I think he disappointed my esteemed Friend Sri Raza Khan by not criticising the Government.

[Sri R. Venkataraman] [25th January 1961

Sir, the suggestions and criticisms made during the course of the debate can be classified under three heads, those relating to the Plan, those relating to the economic conditions in the country and those relating to the administraion of paricular departments. Since this House has no occasion to discuss the administration in particular departments as the other House has on a motion for Demand for Grants every effort is being made to meet the points raised in the course of the debate in respect of the administration of departments also. But I must confess that within the short time—namely that about an hour or so—the Government have to reply to the many points raised in a debate which ran for three or four days, and if it is not possible to meet all the points and to reply all the questions that have been raised during the course of the debate, Sir, it is not on account of any lack of willingness on the part of the Government to place the facts before the House but very largely due to the lack of time that it is so. If I have to reply to all the points raised during the course of the debate perhaps I should take half the time that has been taken by all the hon. Members who participated in the debate and that I do not think is either necessary or even proper. Therefore, as I said, I will try to meet the points raised during the course of the debate under those three heads I have already mentioned and if I leave out any of the very important points raised by the hon. Members, I hope they would forgive me and appreciate the handicap under which I have to function.

Sir, dealing with the question of the Plan, the hon. the Leader of the Opposition and also the hon. the Deputy Leader of the Opposition specifically referred to the reduction in the total outlay of the Plan for this State. It is true that the Plan expenditure has been reduced from Rs. 400 crores to Rs. 291 or probably Rs. 300 crores. Hon. Members are aware, when we framed the Plan for Rs. 400 crores we mentioned it as the tentative Plan of this State. Similar tentative plans for other States were prepared and the Planning Commission and the Government of India had to co-ordinate all these Plans and bring out the final Plan for the whole country. Much as we would like to have as large a Plan as possible for each State there are very serious limitations to the size of the Plan. If we do not pay attention to the limiting factors, then the Plan itself may fail.

Sir, the first limiting factor of the Plan is the availability of resources and the second limiting factor is the ability of the administration to utilise the provisions made usefully and profitably. It is not very difficult to squander away money but if we want to get the full money's worth for the expenditure, it has got to be matched by the ability of the particular department to spend that money in a very useful manner deriving sixteen annas worth on each rupee spent. And this depends on a number of other factors like the availability of skilled artisans, trained administrators, engineers, doctors, professional men and so on and every one of us knows that we are not surfeit with people who

25th January 1961] [Sri R. Venkataraman]

possess these high qualifications. Therefore, taking all these into account the Planning Commission has approved of a Plan of about Rs. 300 crores for the Madras State.

It is true, as the hon. the Leader of the Opposition said, that the reduction of the Plan necessitates a pruning or cutting down of some of the Plan provisions already made in the draft outline. That would mean as has already been pointed out, reduction of about 25 per cent of the schemes which we have already prepared. If this House is anxious to discuss the final Plan as it emerges, Government would consider the suggestion. Government would also consider whether the Planning Committee which was originally constituted for preparing the draft outline for Rs. 400 crores could not be called again before the plan was reduced to Rs. 300 crores. Sir, I will have the valuable suggestion made by the hon. the Leader of the Opposition carefully examined by the Government and we will try to carry with us in this task the various shades of opinion in this House as well as in the other for the common good of the State and its people.

Then, Sir, the second aspect of the criticism about the Plan is this. The hon. Member Sri K. Balasubramanya Ayyar said that the Plan has not laid enough emphasis on agriculture, and that there was a lopsided emphasis on industry and industrial development. The amount of resources allocated for agriculture under the Third Five Year Plan does not bear out the criticism. If you will kindly refer to page 28 of the draft outline of the Third Five-Year Plan of the Government of India you will find that for agriculture, minor irrigation and Community Development the sum allocated is Rs. 1,025 crores and for major and medium irrigation, which again is expenditure for increasing agricultural production, it is Rs. 650 crores. That makes up a total of about Rs. 1,675 crores. As against this, the allocation for industries and minerals is Rs. 1,500 crores. Actually there is a balance after the allocation of the resources to these two sectors. I think that this deployment of the resources is in the best interests of development of both the sectors of our economy. We all know that in the countries which have a higher standard of life and countries which are economically strong, the emphasis on industrial development is very great. It is considered by economists that the best or the ideal state of society is one in which fifty per cent of the population is engaged in agriculture and the other fifty per cent in industry. Now I include under 'agriculture' the allied sectors, and in industry, transport and other similar things. Therefore, I would think that the Third Plan in making this major basic development of its resources has taken this factor into consideration and has made an appropriate provision for these two important sectors.

3-50 p.m.

Then, Sir, the question was raised, 'How are we really planning for the industrial development in the manner in which we have done in the face of the political and international conditions in the world?' Sir, the plan is bound to succeed only on two basic

[Sri R. Venkataraman] [25th January 1961

grounds or the two basic prerequisites. One is the seasonal conditions of monsoon. We must be free from drought and pest. Given this condition, the agricultural plan will succeed. We have to have international peace. Otherwise it is not possible for us to carry out the industrial plan. The industrial plan is based on the availability of not only foreign exchange, not only aid and assistance from foreign countries but also assistance in the shape of machinery and equipment and technical skill from foreign countries. In the catastrophic event of any major conflagration in the world, I am quite sure that it would not be possible for us to fulfil the Plan targets. This explains also why of all the countries in the world, weak as we are, poor as we are, and under-developed as we are, we still talk very much more about international peace than other countries who are able to contribute to it or maintain it. The question of international peace is of greater importance to under-developed and less developed countries in the world than to the developed ones. So I quite agree that unless international conditions are propitious, it would be difficult for us to fulfil the Plan targets. At the same time I would venture, though it is not part of the duty of a politician to prophesy, to think that the conditions are really tending to be propitious for the maintenance of international peace at the present moment.

Then, Sir, another question is raised, namely, that we are always planning for industrial development on the basis of external resources and that we have not made any provision for repayment of the loans. Both in this House and outside people ask this question, 'How are you going to repay all the foreign loans?' Any one who has had anything to do with the development of industry in this country knows that he has to get a clearance from the Capital Goods Committee before he is allowed to start an industry. Another Committee which goes into the question is the Committee on Foreign Exchange. Unless the industry which is proposed to be started is able to earn when it goes into production, and unless it produces sufficient goods to effect a reduction in the import thereof and thereby effect savings in foreign exchange, it is not allowed to operate or to enter into agreements for deferred payment. This is a factor which is very often forgotten by many people who criticise the Government saying that they are the prodigal borrowers who go about borrowing without any sense of responsibility about repayment. Most of our foreign loans are for industrial development. Barring a few aided programmes for other social services, the largest portion of our foreign borrowings is for industrial purposes, and these purposes are judged or at least scrutinised before the loans are granted. Sir, you would have seen a number of teams from foreign countries coming to India every year. The World Bank team comes. The Development Loan Fund team comes. The International Finance Corporation officials come. What do they do? They are not going round the country for sight seeing. They actually assess whether the country would be able to earn sufficient foreign exchange out of the investments which they make on these projects, and only if they are satisfied that these projects will produce sufficient goods so as to

25th January 1961] [Sri R. Venkataraman]

reduce the total volume of imports from foreign countries into this country, thereby effecting savings in foreign exchange, they would care to lend to this country. I venture to submit that the countries which are lending to this country are not so stupid as to go on lending to us if they think that we have no capacity to repay the loans at a future date. Sir, I have taken a little time to explain this, because I find in very many places a misconception is growing that we are borrowing for unproductive purposes On the other hand our borrowings are for productive purposes, and the production which we envisage will be able to earn sufficient foreign exchange for us or at any rate reduce imports from foreign countries to that extent. I grant these are obligations. I have every confidence that the Government would be able to meet and fulfil all these obligations. I may venture to give even an instance. We have now received for the Madras Aluminium Company permission to pay our foreign exchange requirements by deferred payments and before that was given, the committee went into the question as to what amount of aluminium could be produced in this country, how much foreign imports would be saved on account of the production of this aluminium in this country, and therefore how much foreign exchange would be saved, how much would be the deferred payment instalment per year, and also whether it would be able to meet the obligations as and when they arose. After an examination of all these aspects only the Government of India agreed to allow the company to enter into a deferred payment arrangement. This is one instance I would bring to the notice of the House, and the same procedure is followed in respect of almost all the cases in which foreign aid is taken. Therefore, I venture to submit again that there is no fear of our borrowing beyond our capacity to repay and making ourselves look ridiculous in the world as people unable to honour their obligations.

Then, Sir, about the plan, one or two individual items were mentioned. Emphasis was rightly laid by a number of members on the development of the Tuticorin Port. I am happy to say that the Tuticorin Port has been included in the Third Plan. The question of allocation of resources is pending consideration by the Central Government. But as a project, it has been included in the plan, and the sum of Rs. 1 lakh, mentioned by the hon. the Leader of the Opposition as having been allocated for this Tuticorin Harbour, is the amount set apart for preliminary expenditure which this Government propose to incur on preliminary investigation, etc. It is not part of the investment by the Centre. The scheme is a Central scheme, and expenditure on this is likely to be met by the Centre. But in order to expedite the work in connection with this project, the Madras Government out of their own resources have set apart a lakh of rupees for preliminary investigation. If the Rs. 1 lakh set apart for the Tuticorin Port means all that this Government were going to set apart for it, it would certainly mean that the Tuticorin Port is as far away from us as the moon.

[Sri R. Venkataraman] [25th January 1961

4 p.m. I will now proceed to deal with our general economic condition. There was a very interesting thought raised by Mr. Natarajan about the cost of living increasing at a higher rate. He referred to the ratio between the increase in the price indices and the increase in the *per capita* income. He said that the increase in the price indices was much greater than the increase in the *per capita* income and that it was not a healthy state of affairs. I must admit, as a student of economics, it has thrown open a new vista for investigation. None of our investigations has proceeded on these lines and certainly I am personally interested in following it up and seeing what the results of these calculations would show. Anyway, this is a matter which offers an interesting field of study. But then the conclusion is not borne out by the facts as presented to us. Though there has been a higher rate of increase in the cost of living index than in the *per capita* income, it is found from a statistical compilation made by the Food and Agricultural Organisation (F.A.O.) that during this period 1949-59, the consumption *per capita* in this country in terms of calories, which is the best test, has increased. In 1948–49, it was 1640 calories and in 1958–59 it rose to 2,380 calories. So, this would show that the real standard of life of the people has improved and that in terms of real income and consumption, there has been a radical improvement. I would read another figure by way of comparison. In Japan, the *per capita* consumption in 1948–49 was 1,900 calories as against India's 1,640. In 1957–58—the figures for 1958–59 are not available—Japan consumed *per capita* 2,220 calories as against India's 2,380 in 1958–59. Therefore, I venture the suggestion that, even apart from the figures we shall quote about the increase in food production and other things, our standard of life has improved. The F.A.O. compilation is one of the very valuable standards by which we can judge whether there has been improvement in this country or not. The figures compiled by the FAO are very revealing. Of course, there are other countries which started in 1948–49 with a higher *per capita* consumption. For example, the figure for New Zeland was 3,960 calories, which is well above the needs of a person. But my submission to this House is that there is a steady and modest increase in our consumption in terms of calories and that that records the real progress in the standard of life of our people.

SRI T. P. SRINIVASAVARADAN : What is our normal need?

THE HON. SRI R. VENKATARAMAN : Roughly 3,200 calories. We are two-thirds fed.

DR. A. SREENIVASAN : When the Hon. Minister refers to calories, will he tell us what substances went to make up so many calories? There are certain substances like biological proteins which are necessary for man. A man eating a bagful of ragi can make up so many calories but it should be a mixture.

* THE HON. SRI R. VENKATARAMAN : This is not the time when we can go into all those factors. They were taken into account by one of the great international organizations which is

25th January 1961] [Sri R. Venkataraman]

accepted as an authority. I refer to the F.A.O. itself. They have standards which they apply not only to India but to all the countries. When measured by a common standard applicable to New Zealand, the United States and India, they find that there has been an increase in consumption in terms of calories. I for one would not become a greater expert than the expert organization itself. Sir, I do not want to weary the House with statistical information about a number of other items like cloth, jute or cotton. But I was gratified to find that we stood third in the world in the matter of producing cotton textiles. The first country is the United States; then comes China and we stand third. That is a marked progress which this country has achieved during the Second Plan period.

Another question which worries this House and the general public is that in spite of this fairly steady increase in manufacture of material goods, there is a deterioration in the standard of life of certain classes. Nobody would say that there has been a deterioration in the standard of life of the working classes in this country. Anybody would agree that the working classes in this country have been able to maintain their pre-war real incomes and perhaps have been able to add to it a little. But the porblem of the middle-classes is one in which we as Government—whether State or Central—have not been able to show any marked improvement. I have been thinking quite a bit about this. I am only venturing a suggestion when I say this. It is not only the cost of living of the middle-class that has increased but it is the standard of life of the middle-class that has also improved. With the increased amenities available in the country and with the improved ways of life that one has got accustomed to, the real cost of living of the middle-class has gone up. For instance, we cannot do without coffee or tea. We cannot do without better clothing than we had in the past; we cannot do without transport; we are unable to walk long distances. Therefore, in one sense the standard of life has improved. That is responsible for the difficulties of the middle-class. The second and more serious reason is this. Whereas the earning units in a working class family have increased in number the earning units in a middle-class family have remained stationary. It has led to a deterioration. Then, Sir, in computing the minimum wages required for any family a certain standard is observed 4–10 p.m. all over the world. One standard is; What are the total consumption units in the family and how many wage earners are there in the family to earn the required money for meeting these consumption units? If you take into consideration the working classes, the number of wage earners, the earning units in a family have increased or at any rate it has been steady as in the past while in the case of middle class families the number of earning units are less. Therefore they have not been able to meet the increased cost of living. Therefore something should be done to provide some sort of subsidiary occupation for these middle class families to make up the earning and that appears to me one of the urgent necessities. I have now heard from the colonies which we have opened, as for instance the colonies in Tiru. Vi. Ka. Nagar and

[Sri R. Venkataraman] [25th January 1961

Sharma Nagar and other places, a number of these housewives of clerks and others have come and asked for the opening of Ambar Charka centres or some other handicraft or other centres so that they may augment the income of the family. It would be necessary to provide some facilities for these people so that they may augment the income of their families. I do not think a mere increase in wages alone would be able to solve the problem. We think, in view of the increased obligations of social life which the middle classes have to meet they have to increase the number of earning members and units in the family and this will have to be done. That I think is one of the reasons why the middle classes have been hit harder than the other classes of people.

Then, Sir, a number of points were made about the industrial development in the State. I must confess that the small scale industrialists have not had all that they wanted. The small scale industrialist had to meet with a number of shortages as the hon. Member Sri Srinivasavaradan said. They do not get iron and steel when they want them. They do not get the various other raw materials. They do not get the coal in time. These are many of the shortages which they are faced with. In one sense, I think, it is a blessing in disguise though I do not want them to suffer the shortage for all the time. The existence of shortages creates an artificial market for the small scale industrialists. It should not be forgotten that if all these scarce materials like iron and steel, coal and everything were available, the large industries would manufacture everything and they would stamp out the small scale industries altogether. Therefore the small scale industries to some extent have succeeded and they thrive on account of the shortages which prevails in the country. What we have been trying to do is to secure for the small scale industrialists some facilities by way of purchase through co-operative societies and distribution of at least 50 per cent of their needs and so on. While we start at least some Co-operative societies in industrial estates, people outside the estate have to face a great deal of difficulties. We are aware that in Madras owing to lack of supply of raw materials during the last quarter of 1960 quite a number of people were put to very serious handicaps and difficulties and coke and coal went up in price even to Rs. 200 which is most unconscionable. We have been persuading the Government of India to agree to fix a pool price for coal even as they have fixed a pool price for iron and steel and cement. If that is done it will go a long way to ease the situation. But until it is done, I am afraid we have to struggle with the difficulties we have. I can assure hon. Members that so far as the Government are concerned they would do their utmost to see that there is a steady import of these materials and a steady supply to the small scale industrialists. Having taken all the effort and so much pains to develop all these small scale industries, Government would not like them to suffer for want of raw materials. We would do our utmost to see that these industries get their due share.

In this connexion I would like to give one information. Steps are being taken steadily for the establishment of the iron and steel plant which a number of hon. Members made reference during

the course of the debate. We are sending on the 27th January, 60 lb. of iron ore and 60 lb. high temperature lignite ore to Oslo to be tested in the electric furnace. This is the third step in the various actions we have taken one after the other. We had investigations on the laboratory scale. We invited experts to come and look into it. We are now going to do some pilot project tests. One more thing we have to do is to utilize a thousand pounds of Neyveli lignite and a hundred pounds of iron ore of Salem in one of the low shaft furnaces abroad. Another would be to use it in an electrical furnace. The most important consideration in the establishment of the plan is the cost. Whether the pig iron which is sought to be produced in Salem with the help of the low grade iron ore and the lignite would be competitive in India as well as abroad, is the question which has got to be decided and the pilot projects we expect will decide the question. We are taking steps in that direction one by one.

Then, Sir, the hon. the Leader of the Opposition and I think the hon. Member Sri Raza Khan both referred to the Finance Commission and the raw deal that this State received from the last Finance Commission. I join with them in saying that we were thoroughly upset and very unhappy about the result but we were in company with Bombay. Bombay also did not get a pie from the last Finance Commission. The Finance Commission generally goes by the balance sheet of the State (Sri Raza Khan : Solvency.) (Another hon. Member : Mismanage if you want more money.) It is not solvency or insolvency of the State by which you get money. There two States, Madras and Bombay, were the most sound of the States and they suffered by not getting anything. I am quite sure that at the hands of the next Finance Commission we are bound to get a better deal. (An hon. Member : Is there any indication?) We do not know, because the Commission has not yet started receiving evidence and all that. Our condition has now become bad and we have to get some financial assistance. For instance we are being given some assistance by the Central Government for the pay increases we have been giving all along to our Government servants. If I do not anticipate the Hon. the Finance Minister, it would mean a deficit of Rs. 4 to Rs. 5 crores if we do not get the Central assistance on this account. And therefore we have to be given a due share when the Finance Commission determines the respective shares of the States. We hope we will have a better deal this time. On the question whether the Legislature would be consulted on these, I understand that it is not the practice since these questions are treated as confidential both by the Finance Commission and the State Government. Therefore much as I would like to get all the help and assistance from my Friend Sri Raza Khan, I am afraid I will have to deny myself the opportunity and the pleasure.

Sir, I have already taken a considerable time. I will try to finish within the next ten minutes. Mr. Chairman, the next point I wish to refer to is the training of the artisan class which is so necessary for industrial development. We have made considerable

[Sri R. Venkataraman] [25th January 1961

progress in the matter of starting engineering colleges and polytechnics. But in the matter of training artisans such as fitters, turners, mechanists and so on, our progress has to keep pace with the development that is taking place in the State. We have at present ten industrial schools. We propose to put up another 14 such industrial training schools for training these artisans. The present capacity is 4,500 artisans per annum and we propose to add to it another 4,060 with the result that during the Third Plan we hope to have as many as 8,560 artisans from these industrial schools every year. The hon. Member Sri Seshachariar referred to training of apprentices. At presant there are only two such training schemes and we propose to increase them to five and we expect to have 1,500 apprentices trained every year.

4–20 p.m. Lastly, Sir, I wish to deal with the question of 'Bleeding Madras', which the hon. Member Sri Sambandhan referred to. We all know that he takes a great deal of interest in the welfare of the handloom weavers and the handloom industry. We have very often told this House as well as the manufacturers of these handloom goods that finding the market is not the responsibility of the State. Finding the market should be the responsibility of the producers. Unless we agree to have a totalitarian state of affairs, in which the production and distribution would be controlled and finding the market would be arranged, it would not be possible for the Government to find the market. I do not think that Mr. Sambandhan or even the handloom weavers in this country, however much they may suffer on account of some of the difficulties, will agree to such a totalitarian control of both production and distribution and also marketing by the State. It is unfortunate that owing to a mistake committed by some speculators that this cloth has remained with us unsold. The Government are trying to purchase the goods. The Madras Government have requested the Government of India to allow them either to purchase the goods themselves or give some loans to the people so that they may tide over the present difficulty.

SRI S. K. SAMBANDHAN : What is the value of the cloth?

THE HON. SRI R. VENKATARAMAN : It is estimated that there will be about 16 lakhs of yards of 'Bleeding Madras', and even at a price of Rs. 2 per yard, the cost would come to Rs. 32 lakhs. This is not a very large sum. But what the Government of India seem to be afraid of is that if they start buying at Rs. 2 per yard, new 'Bleeding Madras' would come into Madras and again the problem will be accentuated.

SRI S. K. SAMBANDHAN : There will not be any more production.

THE HON. SRI R. VENKATARAMAN : Unfortunately, Mr. Sambandhan does not control the entire trade though he does to some extent.

25 January 1961]

SRI MOHAMED RAZA KHAN : It is not a fact, Sir, that the department also—I do not like to mention the names of officers—gave wide publicity that there was such a heavy demand in America and that people should rush their 'Bleeding Madras', and therefore to-day they are in the soup? Should not the Government officials be careful before making public announcements?

THE HON. SRI R. VENKATARAMAN : At the time when the announcement was made, there was a great demand. If the market had not been spoiled by the speculators, we would have established a very sound trade on this particular item. When they found that there was a very great market for this type of goods in America, persons who had never seen handloom goods began to speculate on this trade. They went about buying all sorts of goods which did not answer to the description of 'Bleeding Madras' and exported them with the result the market had been completely ruined. We are trying to do our utmost to see that the distress is alleviated. We hope to hear from the Centre. The Madras Government are prepared to advance to the stockists of the 'Bleeding Madras', loans against their stocks to the tune of five lakhs of rupees, and I hope that this would be taken advantage of by the handloom weavers.

Sir, I am grateful to the Members of this House for all the kindness they have shown the Government. It is exhilarating to speak in this House, because the criticisms in this House are not offered from any party angle or from any of the preconceived prejudices by one or the other of the political parties that exist in this country. When we get honest and good advice, we feel grateful to them. I may assure the House, Sir, that the Government really appreciate all the suggestions made by hon. Members during the course of the debate and would endeavour their utmost to profit by them. Thank you, Sir.

SRI T. P. SRINIVASAVARADAN : Have the Government got any figures regarding the unemployed people, and how many of them they hope to get employed in the third five-year plan period?

THE HON. SRI R. VENKATARAMAN : Sir, I have reserved some of these things for the budget, because that is the time when we will be able to deal with all items.

Sir, I made a mistake. It is customary for the Leader of the House to request the mover of the amendments to withdraw them in view of the explanations offered by the Government. While I fulfilled the obligation to thank hon. Members, I forgot the other obligation to request my esteemed Friend to withdraw his amendment. I am quite sure he would readily agree to withdraw his amendment.

SRI MOHAMED RAZA KHAN : Sir, at least in consideration of the concluding remarks, I am obliged to withdraw my amendment.

The amendment of Sri Mohamed Raza Khan was, by leave, withdrawn.

SRI T. P. SRINIVASAVARADAN : Sir, I also withdraw my amendment.

The amendment of Sri T. P. Srinivasavaradan was, by leave, withdrawn.

MR. CHAIRMAN : The question is—

That an humble Address be presented to the Governor that the Members of the Madras Legislative Council thank him for the Address delivered to the Members of the Legislature on the 19th January 1961.'

The motion was put and carried unanimously.

IV. DISCUSSION ON THE SECOND SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR 1960–61.

SRI MOHAMED RAZA KHAN : Sir, after a very brilliant speech by the Leader of the House, convincing in some parts and not completely convincing in others, I am at a disadvantage to speak on the supplementary statement of expenditure. But, however, I would like to draw the attention of the House to some of the items of expenditure in the supplementary statement. Sir, I do admit or rather agree with the Finance Minister that because of the tempo of expenditure on the Second Plan, particularly when we are reaching the final year of the plan, it is likely that supplementary statements of this type may come in. But it cannot be a general affair always. Already, as per the statement of the Finance Minister, we had one supplementary statement of expenditure in August. We are now having a second, and it is likely that we may have a third one by the time the budget for 1961–62 is presented. There are certain items of expenditure for which there can be a valid justification that they were not anticipated at the time of finalising the main budget. There is also the possibility of some of these items being anticipated at the time of presenting the main budget itself. It is quite possible for the heads of departments to think, ' We are going to have two or three supplementary statements; even if we do not include an item of expenditure in the main budget, there is the passibility of including it in the first, second or third suplementary statement '. Therefore, the statement of the Hon. the Finance Minister is in a general way.

Now taking some of the items in the supplementary statement, the Leader of the House mentioned that things were taking shape in the matter of erecting a steel plant in the State of Madras. The visit of the Finance Minister and the Chief Minister to the various plants in the North and also the steps which are being taken in this behalf augur well. I am in entire agreement with the Leader of the House that it is not an easy thing to rush. It is a question of marketing. The price factor and other factors are there. The very fact that the Government have taken all necessary steps to have a steel plant in this State is really welcome. From what I have seen from the statement of the Minister for Finance in